Modification Report
Amendment of Imbalance Calculations to enable Elective Aggregation of Demand across one or more Shipper ID's
Modification Reference Number 0553

Version 1.0

This Modification Report is made pursuant to Rule 7.3 of the Modification Rules and follows the format required under Rule 8.9.3.

1. The Modification Proposal

The Proposer stated that :

"The proposal is to create the equivalent of the Metered Volume Reallocations that exist in the electricity industry (under the Balancing and Settlement Code) in order to allow Users to choose to forecast and balance their proposals at an aggregate level.

Set Up Procedures:

It is envisaged that Shippers who wished to have their demand reallocated to another Shipper would be required to notify Transco [x] Working Days in advance of the Effective From date. The request would contain:

- Name of Shipper whose Demand is to be reallocated
- ID of Shipper whose Demand is to be reallocated
- Effective From Date
- Effective to date (Optional)
- Name of Shipper to whom Demand is to be reallocated
- ID of Shipper to whom Demand is to be reallocated
- Confirmation from the Shipper to whom the Demand is to be reallocated
- Percentage of Demand being reallocated

The Demand being reallocated:

Initially it is envisaged that reallocation would be carried out for 100% of Shipper Demand (i.e. all DM and NDM), but further refinements might be to distinguish DM and NDM, different LDZs and EUC Bands.

Provision of Information:

In the case if DM Demand the Shipper in whose name the relevant Supply Point(s) are registered would retain the current Network Code Obligations. Transco would continue to send the NDM Demand Forecasts to the Shipper to whom the Supply Points are registered.

The Shipper whose Demand was being reallocated would nominate zero inputs. The Shipper to whom the Demand was being reallocated would nominate inputs that related to both its won Demand and the Demand that was being reallocated to it.

Energy Imbalance Calculation:

The demand attribution process would work as now for DM and NDM Supply Points. The demand allocation component of the Imbalance Calculation would be amended such that the Shipper Total Demand would be its Attributed Demand (as currently calculated) less Demand which is reallocated From the Shipper plus Demand which is reallocated To the Shipper.

The effect of this is that the Energy Balance of the Shipper whose Demand is being reallocated will be zero. Whereas the Shipper to whom Demand was reallocated would have an Imbalance which reflected the difference between their total inputs and their own Demand plus that which has be reallocated to then i.e. at the aggregate portfolio level.

Transportation Invoicing:

This would be unaffected by the proposal i.e. the Shipper to whom the Supply Point is registered would continue to be invoiced for Transportation Services and Scheduling Charges (if applicable) as now.

2. Transco's Opinion

Transco does not support implementation of the Modification Proposal. It believes that the implementation costs would significantly outweigh any benefits that the Proposal might deliver. Transco concludes that the necessary investment is unlikely to be considered efficient or economic.

Transco believes that the potential utilisation of the proposed feature would be limited and, as such, not ordinarily required by Shippers. During the development of the Proposal it has been suggested that it is only businesses that hold more than one shipper licence that are likely to avail themselves of this facility. Transco believes there to be twelve shippers that operate with two or more shipper accounts with NDM portfolios, but of these only two operate with three or more accounts.

Transco notes that the justification for the Modification Proposal is based on an assumption that forecasting accuracy improves the larger the portfolio size and that aggregation might therefore facilitate better imbalance exposure management. However, an assessment undertaken by Transco and one of the shippers of the Workstream Sub-Group, has indicated that the likely financial benefit through lower cash-out exposure would be marginal. For example, any reduction in imbalance exposure resulting from the "netting off" of imbalances across individual shipper accounts would not be significant, since uncertainty with NDM demand is likely to be well correlated across the portfolios. Analysis carried out by Transco, based on data prior to the removal of ITQ (Imbalance Tolerance Quantity) has suggested that an improvement in the cash-out exposure as a result of aggregation of the imbalances of each individual account of a typical NDM group shipper would equate to a reduction in revenues into Neutrality of £50k per annum. The extent to which the shipper's exposure to imbalance charges would be affected would be subject to the apportionment of Neutrality to all shippers.

Transco would argue that given the relatively low financial benefit that the Modification would be expected to deliver and the limited take up of the proposed service that would be anticipated, implementation would not justify the systems development costs involved.

The Proposer suggests that the Modification Proposal would remove the disadvantage that shippers who are operating with multiple portfolios have in comparison with single portfolio shippers. Transco would suggest that Shippers are presently able to choose how to organise their own businesses based on the costs they face. Allowing the possibility of portfolio aggregation funded by Transco might be regarded as potentially cross-subsidising Users that took advantage of the facility. This could, however, be addressed through charging arrangements to reflect the costs incurred.

Implementation of the Modification Proposal might necessitate changes to the Energy Balancing Credit Rules to take account of the proposed change in obligations between the different shippers in the aggregation agreement and the effect on Transco's ability to monitor credit levels. The Energy Balancing Credit Committee (EBCC) has suggested that the Proposal would raise a number of Credit issues, in particular in the instances of a Termination situation. Following a request from the EBCC, Transco has considered the credit implications that would need to be addressed as a result of implementation of the Proposal. These were contained in a summary note that were attached to the Draft Modification Report. Transco believes that these issues are not insurmountable, but that they would require development of the Energy Balancing Credit Rules and agreement by the EBCC and that should the Proposal be implemented, it would be appropriate to develop a revised set of arrangements prior to implementation.

Transco also notes that the Proposal could also lead to a need for consequential re-drafting in a number of Network Code areas. For example, the deeming of demand across shipper IDs would be likely to require amendments within Section V5 of the Network Code, which prohibits the disclosure of 'Protected Information'. A second example is the Incentivised Nomination Scheme (INS). INS requires shippers to provide INS nominations for each energy balancing account, to reflect their intended allocated imbalances. A decision would therefore have to be made in respect of whether the INS nominations would be in respect of imbalances derived taking account of demands as originally associated with User accounts or those taking account of the impact of the elective aggregations, and consideration given to any consequential change to the INS business rules.

3. Extent to which the proposed modification would better facilitate the relevant objectives

Within the modification proposal, the Proposer argues that implementation would better facilitate the relevant objectives (Conditions 9a and 9b) by introducing a more simplified forecasting process, giving greater choice in how such balancing is managed, by improving forecasting accuracy due to the larger portfolio size used and hence reducing levels of risk. In addition, the Proposer argues that it would allow shippers to manage their systems more efficiently and provide additional services of benefit to smaller shippers or new entrants in managing the risk associated with their portfolios.

4. The implications for Transco of implementing the Modification Proposal , including

a) implications for the operation of the System:

Transco envisages there being no implications for the operation of the System.

b) development and capital cost and operating cost implications:

Transco anticipates that the main capital costs will arise as a result of development requirements to AT Link/Gemini. As discussed in Section 6 of the Report, Transco would consider it inappropriate to introduce the changes to ATLink prior to the introduction of Gemini. It is not possible at this stage to obtain an reasonable estimate of the additional costs if implementation was delivered as part of Gemini, since Gemini is at an early stage of its development. However, for comparison purposes, were the Proposal to be introduced via changes to AT Link costs would be expected to be in the region of £1.5m -£2m. Additional development costs would also arise from the changes required to Billing systems and Credit Risk systems.

Transco would expect there to be a modest increase in operating costs, arising from the operation of the proposed registration process, but assuming that the changes to the administration processes would be delivered by automated solutions, the total increase in operating costs would not be expected to be significant.

c) extent to which it is appropriate for Transco to recover the costs, and proposal for the most appropriate way for Transco to recover the costs:

To the extent that the costs incurred are system operator costs they would be recovered from Users through the SO incentive scheme in accordance with Transco's GT Licence provision. It has been suggested that it may be appropriate to consider the targeting of development costs to those shippers requesting to take up the service, given the significant capital costs the Modification proposal contemplates and the relatively few shippers that would be expected to opt to use such a service. This could be achieved through changes to the structure of the transportation charges.

d) analysis of the consequences (if any) this proposal would have on price regulation:

As discussed in 4 c. of the report, it may be appropriate to consider the introduction of revised transportation charges. In accordance with Condition 4 of Transco's GT Licence, this would be pursuant to a pricing consultation exercise.

5. The consequence of implementing the Modification Proposal on the level of contractual risk to Transco under the Network Code as modified by the Modification Proposal

Transco would not anticipate any such consequence.

6. The development implications and other implications for computer systems of Transco and related computer systems of Users

Transco's Computer Systems

Transco has identified that implementation would require significant changes to the AT Link system. As the proposal seeks to change the imbalance calculation rules within AT Link it would affect the allocations and balancing daily processes and, depending on the systems solution, could possibly affect the nominations and demand attribution processes. Due to the number of processes affected and the nature of the changes envisaged alternative "off-line" solutions are not considered feasible and would significantly increase the level of contractual risk.

Although a full systems impact assessment has not been undertaken, an initial high-level assessment has concluded that implementation of such changes to ATLink would represent a risk to the overall stability of the system. It has also stated that development of the changes on ATLink would divert resources from the introduction of the replacement to ATLink (known as Project Gemini), planned for 2003. Therefore, in Transco's view, a change to the daily allocation processes as described in the Modification Proposal could only be implemented as part of Release 3 (Energy Balancing) of Project Gemini, the target date being Autumn 2003.

In addition to the impact on ATLink/Project Gemini, changes would be required to the following computer systems, mainly in the Billing function :

a. Pias Indebtedness Monitoring System (PIMS). As part of the introduction of INS (Incentivised Nomination Scheme), PIMS was implemented on 1 October 2002. Changes may be needed to PIMS to take account of changes in the ATLink (/Gemini) data streams that would arise from implementation of the Modification Proposal.
b. Offline systems. A number of offline systems within Billing would require changes, such as the validation of cash out charges, and the billing of Unique Sites.
c. Credit Risk Systems. Present systems are designed to measure individual accounts, and therefore would require changes to monitor debt positions that would be based on, say, aggregate input positions together with any further complexity the associated changes to the Credit Rules could introduce.

User's Computer Systems

Minor changes to the Computer Systems of those Users electing to utilise the proposed feature may be required, depending on the specification of the delivered solution for Transco's systems.

7. The implications of implementing the Modification Proposal for Users

Users with multiple shipper IDs requesting the service would be given the opportunity to manage their individual shipper imbalance positions on a group aggregate basis.

8. The implications of implementing the Modification Proposal for Terminal Operators,Consumers, Connected System Operators, Suppliers, producers and, any Non-Network Code Party

Depending on the design of the systems solution, there may be modest changes in the transactions associated with the Claims Validation Agent, but any changes would not be expected to be significant.

9. Consequences on the legislative and regulatory obligations and contractual relationships of Transco and each User and Non-Network Code Party of implementing the Modification Proposal

No such consequences are envisaged.

10. Analysis of any advantages or disadvantages of implementation of the Modification Proposal

Advantages

Users electing to take up the service would be given the opportunity of managing the imbalance positions of their individual accounts on an aggregate basis.

Disadvantages

Requires significant changes to the AT Link (/Gemini) System.
Affects a number of related computer systems, including off-line Billing and Credit Risk systems and NDM demand estimation.
Introduces complexity to the Energy Credit Risk rules, to take account of need to monitor exposure at an aggregate level, and in the event of shipper termination.
May require changes to INS.

11. Summary of the Representations (to the extent that the import of those representations are not reflected elsewhere in the Modification Report)

Transco has received representations from the following three parties :

London Electricity Group plc	LE
Powergen UK plc	PG
Scottish and Southern Energy	SSE

Of these, PG & SSE expressed full support for the Proposal, and LE expressed qualified support.

<u>General</u>

SSE expressed support for the Modification Proposal as it would facilitate the equivalent of Metered Volume Reallocations (MVRNs) in electricity so that shippers might choose to balance their portfolios at an aggregate level. It expressed disappointment that Transco considers the Proposal too complex and difficult to implement and suggested that the benefits of the Proposal are not understood. In its response, SSE provided a brief explanation of the structure and use of MVRNs under NETA and attached a short paper clarifying how metered volumes are allocated and how the energy volumes and imbalances are calculated for all parties in the agreement.

LE expressed support for the principle behind the Proposal but qualified its support for implementation on the condition that it would only be delivered via the Gemini project, and only if additional costs for the systems development were established and considered reasonable.

Transco's Response

Transco notes the comments put forward on the Modification Proposal, particularly those that concentrate on the comparisons with the arrangements under NETA. However, it believes there are fundamental differences in the daily balancing regime and the determination of imbalance positions in the gas market to those under NETA and that these need to be understood in considering the merits of the Proposal. This aspect is discussed in more detail later in the Modification Report. Having considered the comments put forward, Transco remains of the view that the issues associated with the cost and complexity of the proposed feature would outweigh any financial benefits likely to be enjoyed by a limited number of interested parties, and therefore it does not support implementation of the Modification Proposal.

Transco acknowledges the view expressed that implementation via AT Link prior to Gemini would appear inappropriate. Transco also supports the view that the development costs associated with implementation within the Gemini project would need to be understood before implementation of this Proposal should be comtemplated.

Computer Systems

SSE opposed Transco's view that the systems costs associated with the Proposal would outweigh the benefits and that the service would not be ordinarily required by Shippers. It requested that Transco does more to quantify this view, including an explanation of how the feature would affect many of the AT Link processes, and suggested that the ability to reallocate demand is simply an extension of the arrangements currently in force.

SSE commented that it found the concept of Gemini being at an early stage of development at odds with the information presented to Shippers on 7 October 2002. It accepted that there is limited information available about the scope of the Gemini project, but that if Gemini is a repackaging of AT Link , it questioned how Gemini would impact on the systems associated with implementing the Proposal. SSE requested further details from Transco.

LE argued that the cost of providing the proposed feature through AT Link was unreasonable, and suggested that Gemini might be the appropriate route for delivery of this service, providing that the additional costs were understood and considered to be reasonable.

Transco's Response

Transco has commented on how implementation would impact on many of the AT Link processes in Section 6 of the Report, and further commentary is provided in this aspect in the separate attachment.

Transco can advise that the Gemini Workshop held on 7 October 2002 mainly concentrated on those elements of Gemini that are due for implementation in April 2003 (typically the Capacity phase) and that this release is at a further stage of development than the Energy Balancing release. SSE is correct that the primary objective of Gemini is to replace AT Link. However, this should not preclude facilitating greater flexibility within systems where this is considered economic.

Comparisons with NETA

In its representation, SSE provided an explanation of MVRNs under NETA and the mechanisms surrounding the allocation of one BSC Party's metered volumes to the energy account of another Party. SSE commented on the reasons for the introduction of MVRNs under NETA, particularly the benefits seen by smaller parties, and observed that the feature is widely used as a risk management tool. SSE also provided a short paper clarifying how metered volumes are allocated across accounts and how they affect the calculation of credited energy volumes and energy imbalance for both the Lead and Subsidiary Party.

PG commented that the Proposal would have the advantage of introducing alignment with electricity, where under the BSC there is the facility to consolidate BMU ID's within a single trading unit. PG stated that this means that imbalances are based on a shipper's net position.

Transco's Response

Transco welcomes the explanation provided on the MVRN arrangements under NETA, but it believes there are fundamental differences between these and the daily balancing regime and imbalance positions in the gas market that need to be understood. Transco has commented on the MVRNs in electricity and how these differ to the energy accounting principles in gas in further detail in a separate attachment.

Credit Issues

PG suggested that, to avoid any lack of transparency about each account's credit position, the lead Shipper could handle the credit issues with the other Shippers in the group structure, as is the case under the BSC.

SSE argued that the credit issues associated with this Proposal are not as significant as suggested and commented that its explanatory note might alleviate such concerns, noting that this concept has worked well under NETA. It commented that it did not see that Transco's calculations of indebtedness would be altered or that additional work would be involved, but rather that Transco could be monitoring fewer credit positions than it does currently. SSE suggested that it did not see how implementation could impact on Transco's ability to monitor credit issues, as Transco would be notified in advance of the intention and any additional costs on the party receiving the reallocation would be recovered as part of the bilateral arrangement.

Transco's Response

Transco concurs with the view that the nominated lead Shipper could handle the credit issues associated with the other Shippers in the group structure. However, as indicated previously it believes that the rules and processes associated with such arrangements would need to be developed further to facilitate the required changes to both the Energy Balancing Credit Rules and the Network Code Sections X and V. For example, currently all escalatory actions are based upon User default and therefore there would need to be recognition within the Network Code of the lead User relationship (e.g any Agency arrangement in place). Transco would also like to draw attention to the Summary Note on Credit Implications that was attached to the Draft Modification Report regarding termination and transparency and any recourse Transco has in the event of default / shipper failure. A potential resolution could be by introducing into the Network Code an obligation such that, where such a relationship is in existence that all parties would have to be jointly and severally liable for any exposures incurred in the event of default.

In respect of monitoring Shipper indebtedness, Transco recognises the there may be merit in exploring the concepts of NETA, although it would observe that existing Network Code provisions may add some complexity to facilitating any recommended changes. Transco agrees that its calculation of indebtedness in respect of Energy Balancing Exposures would broadly remain unchanged, albeit that it would be required to report and monitor on an aggregate basis. Transco does not agree however, that it would be monitoring fewer credit positions. Whilst certain transportation charges such as scheduling and reconciliation would continue to be incurred and billed at an individual shipper level, there would be a need to monitor exposure at both individual and aggregate level, therefore resulting in an increase in workload. It does believe that the necessary system changes could be affected either through Transco's invoicing systems, as suggested by SSE, or its exposure monitoring system, which would aggregate all charges that could be incurred and hence allow Transco to monitor aggregated exposure. In summary Transco's stance remains unchanged. It believes that these issues are not insurmountable, but that they would require further development prior to the proposal being implemented. Transco believes that the Energy Balancing Credit Committee (EBCC) would be the appropriate forum for such development. Transco would envisage exclusive development being essential to amend the framework and operation of the credit rules should this Proposal be implemented.

Benefits of Aggregation

SSE commented that aggregation would help Shippers to better manage their imbalance exposure. It suggested that the ability to reallocate demand would serve to reduce the risks of marginal price imbalance cashout for Shippers and therefore potentially enhance Shippers' ability to manage their portfolios more efficiently and economically. SSE also suggested that the proposed approach would give Transco better information about Shippers' intentions and should aid it in its role as residual balancer. SSE put forward the view that it should be possible to have this proposal up and running well in advance of October 2003.

PG argued that it is far more difficult to forecast accurately across Multiple Shipper ID's, and the problem is compounded by the introduction of Network Code Modification 0511 (Removal of NDM Forecast Deviation from Imbalance Calculations) , where forecasting accurately is necessary to avoid a penal cashout. It stated that this leads to a disproportionately high cost to shippers. PG further suggested that a Shipper's imbalance costs should be related to the impact these imbalance costs have on Transco.

Transco's Response

Transco acknowledges the argument that the ability to manage imbalance exposure may improve with increasing portfolio size. However, Transco continues to have concerns about the appropriateness of providing an additional portfolio management tool that might deliver benefit to a subset of Users given the anticipated costs to support such a service. Any proposed implementation date prior to Autumn 2003, the anticipated delivery date for the Energy Balancing Phase of Project Gemini would generate a requirement for AT Link System changes that Transco would consider to be uneconomic.

Transco notes the increasing importance Users attach to forecasting accurately following the implementation of Modification 0511, given the increased risks associated with imbalance cash-out. Transco however believes that, given the correlation of NDM nominations and allocations varies across portfolios, the multiple account risks may be overstated. Additionally Users can aggregate their portfolios into a single account using the supply point transfer processes to achieve the benefits of aggregation where it is cost effective to do so.

Potential Take-up

PG stated that there are "many Shipper entities operating a number of different Shipper licences" as a result of an increasing number of mergers and acquisitions. It stated there may be reasons why such Shippers choose to run their accounts separately, and the number of Shippers with multiple NDM portfolios may increase in the future.

SSE countered Transco's view that there would be limited take-up of the proposed service and put forward the argument that Shippers with multiple portfolios ship a significant volume of gas through the system.

Transco's Response

Transco acknowledges the number of Shipper entities that operate with two or more different licences, and that this level may increase in the future. However, as Transco has already stated, it believes that the financial benefits arising from an improvement in management of imbalance associated with this Proposal are small particularly in the light of the redistribution effects associated with balancing neutrality.

Structure of Aggregation

SSE requested that the basis of reallocation should be flexible to reflect the changing needs of the market and the different categories of customers.

SSE also sought clarity on the obligations on the different Shippers within the agreement in respect of nominations and allocations, suggesting that the lead Shipper could generate the DM output nominations and receive the NDM demand forecasts. It further argued that the primary difference with an elective aggregation would be the reallocation of demand after the day for imbalance cashout and settlement purposes.

Transco's Response

Transco acknowledges that any implementation solution would be required to allow Users to specifiy different reallocation parameters, but it should be recognized that the greater the degree of flexibility and sophistication then the greater the development costs.

In respect of the lead Shipper's / subsidiary Shippers' obligations for nominations and allocations, this area has been discussed in the Workstream meetings and described in the Workstream Report. While recognizing there would be a number of options in deciding with which Shippers the obligations would lie, any systems development programme would need to assume a preferred route for implementation.

Invoicing

SSE suggested that Transco's invoicing systems should be able to facilitate reallocation of all energy imbalance costs to the nominated Shipper. This, it argued, could include scheduling charges, where applicable and reconciliation (GRE). SSE commented that under NETA the costs are reallocated in accordance with the structure of MVRN that is opted for and that this could form part of the registration process. SSE suggested that the bilateral commercial arrangement between the parties would then establish how the reallocated costs might subsequently be shared, and further suggested that consideration is given to how settlement for MVRNs is managed in electricity.

Transco's Response

Transco notes the comments put forward in respect of invoicing processes, but it would like to advise that at this stage a precise implementation solution has not been developed and any impact on Billing systems would only be considered in detail as part of any implementation solution. In addition, the suggestions made by SSE would consitute a fundamental rewrite of the AT link nominations, allocations and imbalance processes.

Protected Information

SSE expressed the view that the issue of Protected Information would not be difficult to resolve, and that a Shipper wishing to enter into a MVRN agreement would be fully aware of the need for information to pass between it and its counterparty. It suggested that any party in the arrangement would need to give consent to the other parties having access to the information.

Transco's Response

Transco agrees that the issue of Protected Information could be resolved by seeking consent from relevant parties and, as stated within Section 2 , by a possible amendment to Section V of the Network Code. Further consideration would need to be given to issues of confidentiality, for example, at Shared Supply Meter Points where only one of two Shippers are signatories to such an Aggregation Agreement.

Incentivised Nomination Scheme

In respect of the potential issues with INS, SSE suggested that, if the MVRN were for 100% of the demand, there would be no need for the non-lead party to submit an INS nomination as this would be the responsibility of the Shipper managing the imbalance, but that the arrangements in each case would depend on the structure or type of MVRN. SSE put forward the example that, were the MVRN to be a fixed volume, the non-lead party would still need to submit an INS nomination for the remainder of his account, but further suggested that this issue would form part of the registration process.

Transco's Response

The Proposal does not indicate whether any change in respect of the basis for INS nominations would be made should it be implemented. Unless rules were developed specifically to address this issue all Users would still be required to provide INS nominations in respect of their intended allocated imbalances. A decision would therefore have to be made in respect of whether the INS nominations would be in respect of imbalances derived taking account of demands as originally associated with User accounts or those taking account of the impact of the elective aggregations.

Charging

SSE did not support the view that the development costs of implementation should be targetted to those shippers that take up the service via transportaion charges as, in its view, many shippers might utilise the MVRN structure it described. SSE suggested that Transco could determine how popular the service might be, and that insufficient explanation for the significant costs had been provided.

Transco's Response

No firm decisions on whether or not new transportation charges would be introduced if the Proposal were implemented have yet been taken. However, Transco would need to be mindful of its licence obligations to develop its charging methodology in a cost-reflective manner, to take account of developments in the business, and to avoid providing any unfair commercial advantage.

12. The extent to which the implementation is required to enable Transco to facilitate compliance with safety or other legislation

No such requirement exists in respect of the Modification Proposal.

13. The extent to which the implementation is required having regard to any proposed change in the methodology established under Standard Condition 4(5) or the statement furnished by Transco under Standard Condition 4(1) of the Licence

No such requirement exists in respect of the Modification Proposal.

14. Programme of works required as a consequence of implementing the ModificationProposal

As Transco does not support implementation of the Modification Proposal, a Programme of Works has not been detailed.

15. Proposed implementation timetable (including timetable for any necessary information systems changes)

The earliest possible date for implementation would be Autumn 2003.

16. Recommendation concerning the implementation of the Modification Proposal

Transco does not support implementation of the Modification Proposal.

17. Restrictive Trade Practices Act

If implemented this proposal will constitute an amendment to the Network Code. Accordingly the proposal is subject to the Suspense Clause set out in the attached Annex.

18. Transco's Proposal

This Modification Report contains Transco's proposal not to modify the Network Code and Transco now seeks agreement from the Gas & Electricity Markets Authority in accordance with this report.

19. Text

Signed for and on behalf of Transco.

Signature:

Tim Davis
Head of Regulation NT&T

Date: